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SUBJECT: DEADLOCK RESOLVED: PRESIDENT AND PM AGREE ON NEW

JUSTICE MINISTER

- 11. (SBU) In an announcement that caught even his party colleagues by surprise, Prime Minister Calin Popescu-Tariceanu February 29 nominated Catalin Marian Predoiu as the next Justice Minister. Less than three hours later, President Basescu hosted a ceremony to swear in the new Justice Minister. During the ceremony, Basescu praised the new minister's qualifications and was uncharacteristically cordial in his interactions with the Prime Minister.
- 12. (SBU) Comment: The fast-track nomination and swearing-in of a minister to fill a position vacant for months suggests some sort of behind-the-scenes accommodation between the rival palaces took place. President Basescu had been in open conflict with Prime Minister Tariceanu over finding a candidate to replace the controversial Tudor Chiuariu, who resigned in mid-December last year. Basescu rejected Tariceanu's initial nominee for the post PNL Senator Norica Nicolai - asserting that Nicolai's oligarch connections and past indiscretions made her unfit for the position. Constitutional Court subsequently affirmed the President's right to reject a nominee for a cabinet position. Tariceanu then asked incumbent Defense Minister Theodor Melescanu to serve as interim minister on a part-time basis. However, when Tariceanu subsequently proposed that Melescanu take over the Justice portfolio permanently, Basescu opposed the transfer on the grounds that switching Defense Ministers in the run-up to the NATO summit was too disruptive. In the end, Tariceanu appears to have found a candidate who met Basescu's initial criteria for the position *-e.g., a highly-regarded legal professional with few overt links to any political party. Tariceanu did not consult with top party leaders and confronted his colleagues with a fait accompli in the Monday March 3 weekly meeting of the party leadership. The PM has been criticized by PNL leaders for his decision. Ambassador has scheduled a meeting with the new Justice Minister next month after the NATO Summit, and we will be reporting additional observations septel. End Comment.
- ¶3. (SBU) Biographic Note: Catalin Predoiu, 39, was born on August 27, 1968 in Buzau. Predoiu has been an associate at the Zamfirescu Racoti Predoiu law partnership since 2005, specializing in commercial and corporate governance law. He has been a member of the Council of the Bucharest Bar Association since 2003. Until 1995, he worked for the Romanian office of Burns Schwartz, and subsequently established a legal practice with Ioana Racoti in 1995 in the Racoti-Predoiu law house, which later merged with the Calin Andrei Zamfirescu and Partners law firm to form Zamfirescu Racoti Predoiu. (Note: The Embassy is familiar with Predoiu from his time as legal counsel for the U.S. investor Crosslander, which took over Romanian SUV manufacturer Aro only to see the company end in bankruptcy following a dispute

with the privatization authority.)

- 14. (SBU) Predoiu graduated the Faculty of Law at the University of Bucharest in 1991. In 1994 he completed training in commercial law at the Caen Bar in France and in 2004 received a Ph.D. in the subject. Between 1994 and 2007 Predoiu taught commercial law as a lecturer at University of Bucharest. He has published several articles and books about commercial law. In 2006, Predoiu won a World Bank contract for Consulting Services for Reforming the section of the Civil Code of Romania dealing with Special Contracts.
- 15. (SBU) Predoiu claims that he has no current party affiliation, although he acknowledged that he was briefly a member in the early 1990s in a splinter group of the National Liberal Party called the Youth Wing. (Note: the "Youth Wing" was a group of younger Liberals who broke with PNL seniors who dominated the party in the 1990s. They were led by now-Prime Minister Calin Popescu-Tariceanu and multimillionaire businessman Dinu Patriciu.) Although Predoiu's firm has worked for one of Patriciu's companies, Rompetrol, on commercial matters, President Basescu in comments made during the swearing-in ceremony made light of Predoiu's ties to Rompetrol, remarking only that this underscored his qualifications as a high-powered corporate lawyer. End Biographic Note.

TAUBMAN